

SUPPORTING STATEMENT ENVIRONMENTAL PROTECTION AGENCY

1. Identification of the Information Collection

1(a) Title of the Information Collection

NESHAP for Gasoline Distribution Facilities (40 CFR part 63, subpart R) (Renewal),
EPA ICR Number 1659.07, OMB Control Number 2060-0325

1(b) Short Characterization/Abstract

The National Emission Standards for Hazardous Air Pollutants (NESHAP) (40 CFR part 63, subpart R) were promulgated on December 14, 1994. The standards were revised on June 26, 1995, to correct errors in the printing of the emission screening equation in the final standards, and amended on February 29, 1996, to extend the initial compliance date for the equipment leak standard. The standards were amended again June 12, 1996, to clarify the coverage of gasoline loading racks at refineries with through-puts greater than 75,700 liters/day. Updated direct final standards were promulgated on February 28, 1997, to implement a proposed settlement with the American Petroleum Institute. These regulations apply to facilities that are either new or existing bulk gasoline terminals with through-puts greater than 75,700 liters/day and either new or existing pipeline breakout stations commencing construction, modification or reconstruction after the date of proposal. This information is being collected to assure compliance with 40 CFR part 63, subpart R.

Approximately 102 facilities, including bulk terminals and pipeline breakout stations, which are major sources of HAPs, are subject to NESHAP subpart R. We have further estimated that there are total of 1,380 area sources (i.e., 980 bulk gasoline terminal and 400 pipeline breakout stations), of which 25 percent will be within 50 percent of major source threshold criteria (i.e., 345) and will be required to conduct an annual certification testing. This estimate was developed by the Agency in consultation with industry, including the American Petroleum Institute (API) and the National Petrochemical and Refiners Association (NPRA), for the development of the recent residual risk rule addressing the same source category. It is estimated that no new sources per year will become subject to the regulation in the next three years.

The current ICR is based on the most recently approved Information Collection Request (ICR). The cost of this ICR will be \$1,490,584. All reports are sent to the delegated State, or local authority. In the event that there is no such delegated authority, the reports are sent directly to the EPA Regional Office.

The Office of Management and Budget (OMB) approved the currently active ICR without any "Terms of Clearance."

2. Need for and Use of the Collection

2(a) Need/Authority for the Collection

The EPA is charged under section 112 of the Clean Air Act, as amended, to establish standards of performance for each category or subcategory of major sources and area sources of hazardous air pollutants. These standards are applicable to new or existing sources of hazardous air pollutants and shall require the maximum degree of emission reduction.

In addition, section 114(a) states that the Administrator may require any owner or operator subject to any requirement of this Act to:

(A) Establish and maintain such records; (B) make such reports; (C) install, use, and maintain such monitoring equipment, and use such audit procedures, or methods; (D) sample such emissions (in accordance with such procedures or methods, at such locations, at such intervals, during such periods, and in such manner as the Administrator shall prescribe); (E) keep records on control equipment parameters, production variables or other indirect data when direct monitoring of emissions is impractical; (F) submit compliance certifications in accordance with Section 114(a)(3); and (G) provide such other information as the Administrator may reasonably require.

In the Administrator's judgment, benzene (a known human carcinogen) and the toxic nature of other ten types of hazardous air pollutant (HAP) emitted from gasoline distribution facilities either cause or contribute to air pollution that may reasonably be anticipated to endanger public health or welfare. Therefore, the NESHAP were promulgated for this source category at 40 CFR part 63, subpart R.

2(b) Practical Utility/Users of the Data

The control of emissions of HAP from gasoline distribution facilities requires not only the installation of properly designed equipment, but also the operation and maintenance of that equipment. Emissions of HAP from gasoline distribution facilities are the result of operation of the affected facilities. The subject standards are achieved by the reduction of HAP emissions using a vapor collection system and a continuous monitoring system, which can include carbon absorption systems; refrigerant condenser systems; thermal oxidation systems; flares; monitoring an alternative operating parameter that demonstrates continuous compliance with the emission standard; implementation of leak detection and repair procedures; and securing the necessary documentation to assure that each gasoline tank truck loaded is vapor-tight.

The recordkeeping and reporting requirements in the standard(s) ensure compliance with the applicable regulations which were promulgated in accordance with the Clean Air Act. The

collected information is also used for targeting inspections and as evidence in legal proceedings.

Performance test reports are required in order to determine an affected facility's initial capability to comply with the emission standard(s).

The notifications required in the applicable regulations are used to inform the Agency or delegated authority when a source becomes subject to the requirements of the regulations. The reviewing authority may then inspect the source to check if the vapor collection and processing system is properly installed and operated; the leaks are being detected and repaired, and the regulations are being met. The performance test may also be observed.

The required semiannual reports are used for problem identification, as a check on source operation and maintenance, and for compliance determinations.

3. Non-duplication, Consultations, and Other Collection Criteria

The requested recordkeeping and reporting are required under 40 CFR part 63, subpart R.

3(a) Non-duplication

If the subject standards have not been delegated, the information is sent directly to the appropriate EPA regional office. Otherwise, the information is sent directly to the delegated state or local agency. If a state or local agency has adopted their own similar standards to implement the Federal standards, a copy of the report submitted to the state or local agency can be sent to the Administrator in lieu of the report required by the Federal standards. Therefore, no duplication exists.

3(b) Public Notice Required Prior to ICR Submission to OMB

An announcement of a public comment period for the renewal of this ICR was published in the Federal Register on July 8, 2009 at 74 FR 32583. No comments were received on the burden published in the Federal Register.

3(c) Consultations

For this information collection, the previous ICR renewal was used to obtain burden estimates since this ICR renewal was processed under the "Expedited Approach" option provided in May 1, 2008 guidance. Per this guidance, all data and assumptions from the previous ICR renewal were used as the basis for estimating the hourly and cost burdens associated with this renewal.

It is our policy to respond after a thorough review of comments received since the last ICR renewal as well as those submitted in response to the first Federal Register notice. In this case, no comments were received.

3(d) Effects of Less Frequent Collection

Less frequent information collection would decrease the margin of assurance that facilities are continuing to meet the standards. Requirements for information gathering and recordkeeping are useful techniques to ensure that good operation and maintenance practices are applied and emission limitations are met. If the information required by these standards was collected less frequently, the proper operation and maintenance of control equipment and the possibility of detecting violations would be less likely.

3(e) General Guidelines

These reporting or recordkeeping requirements do not violate any of the regulations promulgated by OMB under 5 CFR part 1320, section 1320.5.

3(f) Confidentiality

Any information submitted to the Agency for which a claim of confidentiality is made will be safeguarded according to the Agency policies set forth in title 40, chapter 1, part 2, subpart B - Confidentiality of Business Information (CBI) (see 40 CFR 2; 41 FR 36902, September 1, 1976; amended by 43 FR 40000, September 8, 1978; 43 FR 42251, September 20, 1978; 44 FR 17674, March 23, 1979).

3(g) Sensitive Questions

The reporting or recordkeeping requirements in the standard do not include sensitive questions.

4. The Respondents and the Information Requested

4(a) Respondents/SIC and NAICS Codes

The respondents to the recordkeeping and reporting requirements are major sources that transfer and store gasoline, including pipeline breakout stations and bulk terminals, as described below:

Standard	SIC Codes	NAICS Codes
40 CFR part 63, subpart R	4226	49311
	4400	48311, 48312
	5169	42269
	5171	454311, 454312, 42271

Standard	SIC Codes	NAICS Codes
	5172	42272

4(b) Information Requested

(i) Data Items

All data in this ICR that is recorded and/or reported is required by NESHAP 40 CFR part 63, subpart R.

A source must make the following reports:

Notifications and Reports	
Notification of facility subject to relevant standard	63.9(b)(2) and 63.9(b)(3)
Notification of anticipated construction or reconstruction of a source subject to the relevant standard not later than 180 days prior to commencement of construction or reconstruction	63.9(b)(5)
Notification of anticipated date of initial startup not more than 60 days nor less than 30 days prior to such date	63.9(b)(4)(iv)
Notification of construction or reconstruction not later than 30 days after the change is commenced	63.9(b)(4)(iii)
Notification of anticipated date of initial startup not more than 60 days nor less than 30 days prior to such date	63.9(b)(4)(iv)
Notification of the actual date of startup, within 15 days after such date	63.9(b)(4)(v)
Notification of performance tests at least 60 days prior to the date of a performance test	63.7(a) and 63.9(e)
Notification of installation of a new control device or reconstruction of an existing control device within 180 days before the installation or reconstruction is planned to commence	63.5(b)(6) and 63.5(d)(1)
A request for an extension of compliance report must be submitted if the owner or operator cannot comply with the standards by the designated date	63.9(c)
Semiannual compliance reports stating whether or not established parameters have been exceeded	63.428(g)(1) and (i)
Annual reports stating non-applicability of the regulation are required from area sources within 50 percent of the major source threshold	63.428(i)

A source must keep the following records:

Recordkeeping	
Maintain records of monthly visual inspection data on gasoline transfer and vapor collection and processing equipment	63.428(e) and (f)
Maintain and updated records on cargo tank vapor tightness	63.428(b)
Maintain records of the annual inspections of storage vessels	60.115(b)
Continuously monitor and record operating parameter monitoring data	63.428(c)(1)
Records are required to be retained for 5 Years	63.10(b), 63.428(d)

Electronic Reporting

Respondents may report to the appropriate authority electronically, if they choose to do so. Also, regulatory agencies in cooperation with the respondents continue to create reporting systems to transmit data electronically. In addition, some respondents are using monitoring equipment at the affected facilities that automatically records data. Although personnel at the affected facility must still evaluate the data, internal automation has significantly reduced the burden associated with monitoring and recordkeeping at plant sites.

Electronic reporting systems have not been widely adopted by the respondents. A majority of the respondents send written reports to the regulating entity. At this time, it is estimated that approximately 10 percent of the respondents use electronic reporting.

(ii) Respondent Activities

Respondent Activities
Read instructions.
Install, calibrate, maintain, and operate continuous monitoring systems (CMS) for pressure drop and liquid supply pressure for the external floating roof. Install, calibrate, maintain, and operate vapor collection and processing system for loading racks. Inspect storage tanks seals and seal gaps. Inspect cargo tanks.
Perform initial performance test (Method 21 and Method 27), and repeat performance tests if necessary.
Write the notifications and reports listed above.
Enter information required to be recorded above.
Submit the required reports developing, acquiring, installing, and utilizing technology and systems for the purpose of collecting, validating, and verifying information.

Respondent Activities
Develop, acquire, install, and utilize technology and systems for the purpose of processing and maintaining information.
Develop, acquire, install, and utilize technology and systems for the purpose of disclosing and providing information.
Adjust the existing ways to comply with any previously applicable instructions and requirements.
Train personnel to be able to respond to a collection of information.
Transmit, or otherwise disclose the information.

5. The Information Collected: Agency Activities, Collection Methodology, and Information Management

5(a) Agency Activities

EPA conducts the following activities in connection with the acquisition, analysis, storage, and distribution of the required information.

Agency Activities
Observe initial performance tests and repeat performance tests if necessary.
Review notifications and reports, including performance test reports, and excess emissions reports, required to be submitted by industry.
Audit facility records.
Input, analyze, and maintain data in the Air Facility System (AFS).

5(b) Collection Methodology and Management

Following notification of startup, the reviewing authority might inspect the source to determine whether the pollution control devices are properly installed and operated. Performance test reports are used by the Agency to discern a source's initial capability to comply with the emission standard, and note the operating conditions under which compliance was achieved. Data and records maintained by the respondents are tabulated and published for use in compliance and enforcement programs. The semiannual reports are used for problem identification, as a check on source operation and maintenance, and for compliance determinations.

Information contained in the reports is entered into the AFS which is operated and maintained by the EPA Office of Compliance. AFS is EPA's database for the collection, maintenance, and retrieval of compliance data for over 125,000 industrial and government-owned facilities. EPA uses the AFS for tracking air pollution compliance and enforcement by

local and state regulatory agencies, EPA regional offices and EPA headquarters. EPA and its delegated Authorities can edit, store, retrieve and analyze the data. The records required by this regulation must be retained by the owner or operator for five years.

5(c) Small Entity Flexibility

The number of small entities potentially subject to the requirements of this ICR is estimated to be 56 percent of the respondent universe; however, finer and more-complete data would probably result in a substantial reduction in the number of firms classified as small. This estimate is based on the discussion of small business impacts during the development of the rule (see BID EPA-453/R-94-002a January 1994, pages 8-84 through 8-87).

5(d) Collection Schedule

The specific frequency for each information collection activity within this request is shown below in Table 1: Annual Respondent Burden and Cost for NESHAP for Gasoline Distribution Facilities (40 CFR part 63, subpart R) (Renewal).

6. Estimating the Burden and Cost of the Collection

Table 1 documents the computation of individual burdens for the recordkeeping and reporting requirements applicable to the industry for the subpart included in this ICR. The individual burdens are expressed under standardized headings believed to be consistent with the concept of burden under the Paperwork Reduction Act. Where appropriate, the specific tasks and major assumptions have been identified. Responses to this information collection are mandatory.

The Agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

6(a) Estimating Respondent Burden

The average annual burden to industry over the next three years from these recordkeeping and reporting requirements is estimated to be 15,759 hours (Total Labor Hours from Table 1). The recordkeeping hours shown below in Table 1 are 13,057.2 and the reporting requirement hours shown in Table 1 are 2,701.4. These hours are based on Agency studies and background documents from the development of the NEHAP subpart R regulation and its amendments to address its residual risk, Agency knowledge and experience with the NESHAP program, the previously approved ICR, and any comments received.

6(b) Estimating Respondent Costs

(i) Estimating Labor Costs

This ICR uses the following labor rates:

Managerial	\$114.49 (\$54.52 + 110%)
Technical	\$98.20 (\$46.76 + 110%)
Clerical	\$48.53 (\$23.11 + 110%)

These rates are from the United States Department of Labor, Bureau of Labor Statistics, September 2009, “Table 2. Civilian Workers, by occupational and industry group.” The rates are from column 1, “Total compensation”. The rates have been increased by 110 percent to account for the benefit packages available to those employed by private industry.

(ii) Estimating Capital/Startup and Operation and Maintenance Costs

The type of industry costs associated with the information collection activities in the subject standards are both labor costs which are addressed elsewhere in this ICR and the costs associated with continuous monitoring. The capital/startup costs are one-time costs when a facility becomes subject to the regulation. The annual operation and maintenance costs are the ongoing costs to maintain the monitors and other costs such as photocopying and postage.

(iii) Capital/Startup vs. Operation and Maintenance (O&M) Costs

Capital/Startup vs. Operation and Maintenance (O&M) Costs						
(A) Continuous Monitoring Device	(B) Capital / Startup Cost for One Respondent	(C) Number of New Respondents	(D) Total Capital/Startup Cost, (B X C)	(E) Annual O&M Costs for One Respondent	(F) Number of Respondents with O&M	(G) Total O&M (E X F)
CMS for pressure drop and liquid supply pressure	N/A	0	\$0.00	\$3,500	102	\$357,000

There are no total capital/startup costs for this ICR, as indicated in the total of column D in the above table. The total operation and maintenance (O&M) costs for this ICR are \$357,000, as indicated in the total of column G in the above table. Therefore, the average annual cost for capital/startup and operation and maintenance costs to industry over the next three years of the ICR is estimated to be \$357,000.

6(c) Estimating Agency Burden and Cost

The only costs to the Agency are those costs associated with analysis of the reported information. EPA’s overall compliance and enforcement program includes activities such as the

examination of records maintained by the respondents, periodic inspection of sources of emissions, and the publication and distribution of collected information.

The average annual Agency cost during the three years of the ICR is estimated to be \$63,444 (See Table 2 below).

This cost is based on the following hourly labor:

Managerial	\$62.27 (GS-13, Step 5, \$38.92 + 60%)
Technical	\$46.21 (GS-12, Step 1, \$28.88 + 60%)
Clerical	\$25.01 (GS-6, Step 3, \$15.63 + 60%)

These rates are from the Office of Personnel Management (OPM), 2010 General Schedule, which excludes locality rates of pay. The rates have been increased 60 percent to account for the benefit packages available to government employees. Details upon which this estimate is based appear below in Table 2: Annual Agency Burden and Cost for NESHAP for Gasoline Distribution Facilities (40 CFR part 63, subpart R) (Renewal).

6(d) Estimating the Respondent Universe and Total Burden and Costs

Based on our research for this ICR, approximately 102 existing major sources are currently subject to the standard. We have further estimated that there are total of 1,380 area sources (i.e., 980 bulk gasoline terminal and 400 pipeline breakout stations), of which 25 percent will be within 50 percent of major source threshold criteria (i.e., 345) and will be required to conduct an annual certification testing. It is estimated that no new sources per year will become subject to the regulation in the next three years.

Number of respondents is calculated using the following table which addresses the three years covered by this ICR.

Number of Respondents					
	Respondents That Submit Reports		Respondents That Do Not Submit Any Reports		
Year	(A) Number of New Respondents	(B) Number of Existing Respondents	(C) Number of Existing Respondents that keep records but do not submit reports	(D) Number of Existing Respondents That Are Also New Respondents	(E) Number of Respondents (E=A+B+C-D)
1	0	61 ¹	386 ²	0	447
2	0	61	386	0	447
3	0	61	386	0	447
Average	0	61	386	0	447

1. 60 percent of the sources (i.e., 61 respondents) would be required to submit semiannual reports under the NESHAP subpart R

2. This estimate includes 41 major sources, or 40 percent of the 102 respondents, that are currently subject to NSPS reporting requirements equivalent to the Bulk Gasoline Terminal NSPS (40 CFR part 60, subpart XX) for bulk terminals and the VOL storage NSPS (40 CFR part 60, subparts K, Ka, and Kb) or storage tank CTG's for pipeline breakout stations. It also includes recordkeeping for 345 area sources.

To avoid double-counting respondents column D is subtracted. As shown above, the average Number of Respondents over the three-year period of this ICR is 447.

The total number of annual responses per year is calculated using the following table:

(A) Information Collection Activity	(B) Number of Respondents	(C) Number of Responses	(D) Number of Respondents That Keep Records But Do Not Submit Reports	(E) Total Annual Responses E=(BxC)+D
Notification of construction/reconstruction	0	1	N/A	0
Notification of actual startup	0	1	N/A	0
Notification of initial performance test	0	1	N/A	0
Initial performance test report	0	1	N/A	0
Semiannual reports	61	2	386	508
			Total	508

The number of Total Annual Responses is 508.

The total annual labor costs are \$1,490,584. Details regarding these estimates may be found below in Table 1: Annual Respondent Burden and Cost for NESHAP for Gasoline Distribution Facilities (40 CFR part 63, subpart R) (Renewal).

Note that the total annual capital and O&M costs to the regulated entity are \$357,000. These costs are detailed in Section 6(b)(iii), Capital/Startup vs. Operation and Maintenance (O&M) Costs.

6(e) Bottom Line Burden Hours Burden Hours and Cost Tables

The detailed bottom line burden hours and cost calculations for the respondents and the Agency are shown in Tables 1 and 2 below, respectively, and summarized below.

(i) Respondent Tally

The total annual labor hours are 15,759. Details regarding these estimates may be found below in Table 1: Annual Respondent Burden and Cost for NESHAP for Gasoline Distribution Facilities (40 CFR part 63, subpart R) (Renewal). Furthermore, the annual public reporting and recordkeeping burden for this collection of information is estimated to average 31 (rounded) hours per response.

The total annual capital/startup and O&M costs to the regulated entity are \$357,000. The cost calculations are detailed in Section 6(b)(iii), Capital/Startup vs. Operation and Maintenance (O&M) Costs.

(ii) The Agency Tally

The average annual Agency burden and cost over next three years is estimated to be 1,407.6 labor hours at a cost of \$63,444. See below Table 2: Annual Agency Burden and Cost for NESHAP for Gasoline Distribution Facilities (40 CFR part 63, subpart R) (Renewal).

6(f) Reasons for Change in Burden

There are no changes in the regulatory requirements and there is no significant industry growth, however there is an adjustment in the number of responses and labor hours from the previous ICR. The number of responses decreased from 549 to 508. The previous ICR assumed all 102 major sources must submit responses but it was assumed that 60 percent of the sources (i.e., 61.2) would be required to submit semiannual reports under the NESHAP subpart R since the remaining 40 percent are already complying with similar reporting requirements under another applicable NSPS rule. The overall Respondent hour burden increased from 15,756 hours to 15,759 hours and the Agency hours decreased from 1,429.6 to 1,407.6 hours, both due to calculation errors in the previous ICR.

6(g) Burden Statement

The annual public reporting and recordkeeping burden for this collection of information is estimated to average 31 (rounded) hours per response. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information.

An Agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The OMB control numbers for EPA's regulations are listed at 40 CFR part 9 and 48 CFR chapter 15.

To comment on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including the use of automated collection techniques, EPA has established a public docket for this ICR under Docket ID Number EPA-HQ-OECA-2009-0423. An electronic version of the public docket is available at <http://www.regulations.gov/> which may be used to obtain a copy of the draft collection of information, submit or view public comments, access the index listing of the contents of the docket, and to access those documents in the public docket that are available electronically. When in the system, select "search," then key in the docket ID number identified in this document. The documents are also available for public viewing at the Enforcement and Compliance Docket and Information Center in the EPA Docket Center (EPA/DC), EPA West, Room 3334, 1301 Constitution Avenue NW, Washington, DC. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1744, and the telephone number for the Enforcement and Compliance Docket Information Center is (202) 566-1752. Also, you can send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW, Washington, DC 20503, Attention: Desk Officer for EPA. Please include the EPA Docket ID Number EPA-HQ-OECA-2009-0423 and OMB Control Number 2060-0325 in any correspondence.

Part B of the Supporting Statement

This part is not applicable because no statistical methods were used in collecting this information.